UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

S QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2014

or

£ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: **000-52446**

ACTINIUM PHARMACEUTICALS, INC.
(Exact name of registrant as specified in its charter)

Delaware	**88-0378336**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
501 Fifth Avenue, 3rd Floor New York, NY	**10017**
(Address of Principal Executive Offices)	(Zip Code)

(732) 243-9495
(Registrant's Telephone Number, Including Area Code)

(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

☒ Yes No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

☒ Yes No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. ☐ Yes ☐ No

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of August 11, 2014: 28,147,064

Actinium Pharmaceuticals, Inc.
FORM 10-Q
For period ended June 30, 2014

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

The accompanying consolidated financial statements have been prepared by the Company and are unaudited. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and cash flows at June 30, 2014 and December 31, 2013 and for the six months ended June 30, 2014 and 2013 have been made. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. It is suggested that these financial statements be read in conjunction with the financial statements and notes thereto included in the Company's audited financial statements for the year ended December 31, 2013. The results of operations for the six months ended June 30, 2014 are not necessarily indicative of the operating results for the full year.

Actinium Pharmaceuticals, Inc.
Consolidated Balance Sheets
(Unaudited)

	June 30, 2014	December 31, 2013
Assets		
Current Assets:		
Cash and cash equivalents	$ 14,670,813	$ 5,533,366
Prepaid expenses and other current assets	608,105	218,389
Total Current Assets	15,278,918	5,751,755
Property and equipment, net of accumulated depreciation	132,902	13,920
Security deposit	34,733	-
Total Assets	**$ 15,446,553**	**$ 5,765,675**
Liabilities and Stockholders' Equity (Deficit)		
Current Liabilities:		
Accounts payable and accrued expenses	$ 1,045,421	$ 378,955
Accounts payable and accrued expenses - related party	189,537	81,185
Notes payable	54,970	157,825
Derivative liabilities	9,826,627	6,707,255
Total Current Liabilities	11,116,555	7,325,220
Total Liabilities	11,116,555	7,325,220
Commitments and contingencies		
Stockholders' Equity (Deficit):		
Preferred stock, $0.01 par value; 10,000,000 authorized none issued and outstanding	-	-
Common stock, $0.001 par value; 100,000,000 shares authorized; 27,602,192 and 24,565,447 shares issued and outstanding, respectively	27,602	24,565
Additional paid-in capital	84,004,053	64,933,145
Accumulated deficit	(79,701,657)	(66,517,255)
Total Stockholders' Equity (Deficit)	4,329,998	(1,559,545)
Total Liabilities and Stockholders' Equity (Deficit)	**$ 15,446,553**	**$ 5,765,675**

See accompanying notes to consolidated financial statements.

Actinium Pharmaceuticals, Inc.
Consolidated Statements of Operations
(Unaudited)

	For the three months ended June 30,		For the six months ended June 30,	
	2014	**2013**	**2014**	**2013**
Revenue	$ —	$ —	$ —	$ —
Operating expenses:				
Research and development, net of reimbursements	2,001,937	509,262	4,462,905	1,594,968
General and administrative	2,414,627	966,367	4,090,680	1,899,503
Depreciation expense	8,052	—	9,457	—
Loss on disposition of equipment	—	—	—	4,122
Total operating expenses	4,424,616	1,475,629	8,563,042	3,498,593
Loss from operations	(4,424,616)	(1,475,629)	(8,563,042)	(3,498,593)
Other income (expense):				
Interest expense	—	(634)	—	(1,209)
Gain (loss) on change in fair value of derivative liabilities	7,939,711	(1,307,748)	(4,621,360)	26,764
Total other income and (expense)	7,939,711	(1,308,382)	(4,621,360)	25,555
Net income (loss)	**$ 3,515,095**	**$ (2,784,011)**	**$ (13,184,402)**	**$ (3,473,038)**
Net income (loss) per common share - basic	$ 0.14	$ (0.13)	$ (0.52)	$ (0.16)
Net income (loss) per common share - diluted	$ 0.10	$ (0.13)	$ (0.52)	$ (0.16)
Weighted average common shares outstanding - basic	25,795,573	22,178,637	25,513,505	21,791,673
Weighted average common shares outstanding - diluted	35,862,173	22,178,637	25,513,505	21,791,673

See accompanying notes to consolidated financial statements.

Actinium Pharmaceuticals, Inc.
Consolidated Statements of Cash Flows
(Unaudited)

	For the Six Months Ended June 30, 2014	For the Six Months Ended June 30, 2013
Cash Flows From Operating Activities:		
Net loss	$ (13,184,402)	$ (3,473,038)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Stock-based compensation expense	3,141,144	188,400
Depreciation expense	9,457	—
Loss on disposition of equipment	—	4,122
Amortization of debt discount	—	—
Amortization of deferred financing costs	—	—
Gain on extinguishment of liability	—	—
Loss (gain) on change in fair value of derivative liabilities	4,621,360	(26,764)
Changes in operating assets and liabilities:		
(Increase) decrease in:		
R&D reimbursable receivable	—	(2,126)
Prepaid expenses and other current assets	(389,716)	85,000
Other assets	(34,733)	—
Increase (decrease) in:		
Accounts payable and accrued expenses	666,466	(103,414)
Accounts payable and accrued expenses - related party	108,352	—
Net Cash Used In Operating Activities	(5,062,072)	(3,327,820
Cash Flows From Investing Activities:		
Purchase of property and equipment	(128,439)	(1,112)
Net Cash Used In Investing Activities	(128,439)	(1,112)
Cash Flows From Financing Activities:		
Payments on note payable	(102,855)	(103,050)
Sales of stock, net of offering costs	14,328,725	—
Proceeds from the exercise of options and warrants for cash	102,088	3,463,641
Net Cash Provided By Financing Activities	14,327,958	3,360,591
Net change in cash	9,137,447	31,659
Cash at beginning of period	5,533,366	5,618,669
Cash at end of period	**$ 14,670,813**	**$ 5,650,328**
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ —	$ 561
Cash paid for taxes	$ —	$ —
Supplemental disclosure of non-cash investing and financing activities:		
Conversion of notes payable and accrued interest to stock	$ 1,501,988	$ 590,217
Transfer from liability classification to equity classification	$ 30,000	$ —

See accompanying notes to consolidated financial statements.

Actinium Pharmaceuticals, Inc.
Notes to Consolidated Financial Statements
(Unaudited)

Note 1 – Description of Business and Summary of Significant Accounting Policies

Nature of Business – Actinium Pharmaceuticals, Inc. (the "Company" or "Actinium") is a biotechnology company committed to developing breakthrough therapies for life threatening diseases using its alpha particle immunotherapy (APIT) platform and other related and similar technologies. Actinium, together with its wholly owned subsidiary, MedActinium, Inc. (MAI), (hereinafter referred to collectively as "Actinium") initiated collaborative efforts with large institutions to establish the proof of concept of APIT and has supported one Phase 1/2 clinical trial and one Phase 1 clinical trial at Memorial Sloan-Kettering Cancer Center ("MSKCC") under an MSKCC Physician IND Application. In 2012, Actinium launched a multi-center corporate sponsored trial in acute myeloid leukemia (AML) patients. Actinium's objective, through research and development, is to produce reliable cancer fighting products which utilize monoclonal antibodies linked with alpha particle emitters or other appropriate payloads to provide very potent targeted therapies. The initial clinical trials of Actinium's compounds have been with patients having acute myeloid leukemia and it is believed that Actinium's APIT platform will have wider applicability for different types of cancer where suitable monoclonal antibodies can be found.

On December 28, 2012, the Company entered into a transaction (the "Share Exchange"), pursuant to which the Company acquired 100% of the issued and outstanding equity securities of Actinium Pharmaceuticals, Inc. ("API"), in exchange for the issuance of approximately 99% of the issued and outstanding common stock, par value $0.01 per share, of the Company. As a result of the Share Exchange, the former shareholders of API became the controlling shareholders of the Company. At the closing, each API shareholder received 0.333 shares (the "Exchange Ratio") of Actinium common stock for each API share exchanged. At the closing, all of the API shareholders' options and warrants to purchase API common stock was exchanged at the Exchange Ratio for new options or warrants, as applicable, to purchase Actinium common stock. The Share Exchange was accounted for as a reverse takeover/recapitalization effected by a share exchange, wherein API was considered the acquirer for accounting and financial reporting purposes.

As a result of the Share Exchange, the Company is now a holding company operating through API, a clinical-stage biopharmaceutical company developing certain cancer treatments.

On March 20, 2013, the Company's subsidiary, Actinium Pharmaceuticals, Inc., changed its name to Actinium Corporation. On April 11, 2013, the Company changed its domicile from the State of Nevada to the State of Delaware and changed its name from Cactus Ventures, Inc. to Actinium Pharmaceuticals, Inc.

On September 25, 2013, in accordance with a Certificate of Ownership Merging Actinium Corporation into the Actinium Pharmaceuticals, Inc. (filed in Delaware, the Company merged (the "Merger") into itself Actinium Corporation (a 93.7% owned subsidiary), and Actinium Corporation ceased to exist. As a result of the Merger, Actinium Corporation stock owned by the Company was cancelled and each share of Actinium Corporation not owned by the Company was exchanged for 0.333 shares of Company's common stock. A total of 3,970,137 shares of Actinium Corporation common stock was exchanged for 1,322,055 shares of Company common stock.

Basis of Presentation - Unaudited Interim Financial Information – The accompanying unaudited interim condensed consolidated financial statements and related notes have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial information, and in accordance with the rules and regulations of the United States Securities and Exchange Commission (the "SEC") with respect to Form 10-Q and Article 8 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. The unaudited interim condensed consolidated financial statements furnished reflect all adjustments (consisting of normal recurring adjustments) which are, in the opinion of management, necessary for a fair statement of the results for the interim periods presented. Interim results are not necessarily indicative of the results for the full year. These unaudited interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements of the Company for the year ended December 31, 2013 and notes thereto contained in the Company's annual report on Form 10-K for the year ended December 31, 2013, as filed with the SEC February 28, 2014.

Principles of Consolidation – The condensed consolidated financial statements include the Company's accounts and those of the Company's wholly owned subsidiaries. All significant intercompany accounts and transactions have been eliminated.

Use of Estimates in Financial Statement Presentation – The preparation of these condensed consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassification – Certain prior period amounts have been reclassified to conform to current period presentation.

Cash and Cash Equivalents – The Company considers all highly liquid accounts with original maturities of three months or less to be cash equivalents. Such balances are usually in excess of FDIC insured limits. At June 30, 2014 and December 31, 2013, all of the Company's cash was deposited in one bank.

Property and Equipment – Machinery and equipment are recorded at cost and depreciated on a straight-line basis over estimated useful lives of three years. Furniture and fixtures are recorded at cost and depreciated on a straight-line basis over estimated useful lives of seven years. When assets are retired or sold, the cost and related accumulated depreciation are removed from the accounts, and any related gain or loss is reflected in operations. Repairs and maintenance expenditures are charged to operations.

Impairment of Long-Lived Assets – Management reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be realizable or at a minimum annually during the fourth quarter of the year. If an evaluation is required, the estimated future undiscounted cash flows associated with the asset are compared to the asset's carrying value to determine if an impairment of such asset is necessary. The effect of any impairment would be to expense the difference between the fair value of such asset and its carrying value.

Derivatives – All derivatives are recorded at fair value on the balance sheet. Fair values for securities traded in the open market and derivatives are based on quoted market prices. Where market prices are not readily available, fair values are determined using market based pricing models incorporating readily observable market data and requiring judgment and estimates.

Fair Value of Financial Instruments – Fair value is defined as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants. A fair value hierarchy has been established for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The fair value hierarchy is as follows:

Level 1 Inputs – Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 Inputs – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These might include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (such as interest rates, volatilities, prepayment speeds, credit risks, etc.) or inputs that are derived principally from or corroborated by market data by correlation or other means.

Level 3 Inputs – Unobservable inputs for determining the fair values of assets or liabilities that reflect an entity's own assumptions about the assumptions that market participants would use in pricing the assets or liabilities.

The following tables set forth assets and liabilities measured at fair value on a recurring and non-recurring basis by level within the fair value hierarchy as of June 30, 2014 and December 31, 2013. As required by ASC 820 "*Fair Value Measurements and Disclosures"*, financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

	Level 1	Level 2	Level 3	Total
Derivative liabilities:				
At June 30, 2014	-	-	$ 9,826,627	$ 9,826,627
At December 31, 2013	-	-	6,707,255	6,707,255

Income Taxes – The Company uses the asset and liability method in accounting for income taxes. Under this method, deferred tax assets and liabilities are determined based on differences between financial reporting and income tax carrying amounts of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company reviews deferred tax assets for a valuation allowance based upon whether it is more likely than not that the deferred tax asset will be fully realized. A valuation allowance, if necessary, is provided against deferred tax assets, based upon management's assessment as to their realization.

Research and Development Costs – Research and development costs are expensed as incurred. Research and development reimbursements and grants are recorded by the Company as a reduction of research and development costs.

Share-Based Payments – The Company estimates the fair value of each stock option award at the grant date by using the Black-Scholes option pricing model and value of common shares based on the last common stock valuation done by third party valuation expert of the Company's common stock on the date of the share grant. The fair value determined represents the cost for the award and is recognized over the vesting period during which an employee is required to provide service in exchange for the award. As share-based compensation expense is recognized based on awards ultimately expected to vest, the Company reduces the expense for estimated forfeitures based on historical forfeiture rates. Previously recognized compensation costs may be adjusted to reflect the actual forfeiture rate for the entire award at the end of the vesting period. Excess tax benefits, if any, are recognized as an addition to paid-in capital.

Earnings (Loss) Per Common Share – The Company provides basic and diluted earnings per common share information for each period presented. Basic earnings (loss) per common share is computed by dividing the net income (loss) available to common stockholders by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per common share, as calculated for the three months ended June 30, 2014, is computed by dividing the net income available to common stockholders by the weighted average number of common shares outstanding plus dilutive securities. For the three months ended June 30, 2013 and the six months ended June 30, 2014 and 2013, the potentially dilutive securities (options, warrants and convertible instruments) were excluded from the diluted loss per common share calculation because their effect would have been antidilutive. For the three months ended June 30, 2014, potentially issuable shares included stock options to purchase 1,398,937 shares and warrants to purchase 8,667,663 shares of the Company's common stock. For the six months ended June 30, 2014, potentially issuable shares included stock options to purchase 2,952,829 shares and warrants to purchase 9,418,058 shares of the Company's common stock. For the six months ended June 30, 2013, potentially issuable shares included stock options to purchase 2,280,184 shares and warrants to purchase 9,535,694 shares of the Company's common stock.

Recent Accounting Pronouncements – In May 2014, the Financial Accounting Standards Board issued Accounting Standards Update 2014-09, Revenue from Contracts with Customers. Amendments in this Update create Topic 606, Revenue from Contracts with Customers, and supersede the revenue recognition requirements in Topic 605, Revenue Recognition, including most industry-specific revenue recognition guidance throughout the Industry Topics of the Codification. In addition, the amendments supersede the cost guidance in Subtopic 605-35, Revenue Recognition—Construction-Type and Production-Type Contracts, and create new Subtopic 340-40, Other Assets and Deferred Costs—Contracts with Customers. In summary, the core principle of Topic 606 is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This Accounting Standards Update is the final version of Proposed Accounting Standards Update 2011-230—Revenue Recognition (Topic 605) and Proposed Accounting Standards Update 2011–250—Revenue Recognition (Topic 605): Codification Amendments, both of which have been deleted. The amendments in this Update are effective for the Company for annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. The Company is currently evaluating the effects of ASU 2014-09 on the consolidated financial statements.

In June 2014, the Financial Accounting Standards Board issued Accounting Standards Update 2014-10, Development Stage Entities. The amendments in this Update remove the definition of a development stage entity from Topic 915, thereby removing the distinction between development stage entities and other reporting entities from U.S. GAAP. In addition, the amendments eliminate the requirements for development stage entities to (1) present inception-to-date information on the statements of income, cash flows, and shareholder's equity, (2) label the financial statements as those of a development stage entity, (3) disclose a description of the development stage activities in which the entity is engaged, and (4) disclose in the first year in which the entity is no longer a development stage entity that in prior years it had been in the development stage. The amendments also clarify that the guidance in Topic 275, Risks and Uncertainties, is applicable to entities that have not commenced planned principal operations. Finally, the amendments also remove paragraph 810-10-15-16, which states that a development stage entity does not meet the condition in paragraph 810-10-15-14(a) to be a variable interest entity (VIE) if (1) the entity can demonstrate that the equity invested in the legal entity is sufficient to permit it to finance the activities it is currently engaged in and (2) the entity's governing documents and contractual arrangements allow additional equity investments. Under the amendments, all entities within the scope of the Variable Interest Entities Subsections of Subtopic 810-10, Consolidation—Overall, would be required to evaluate whether the total equity investment at risk is sufficient using the guidance provided in paragraphs 810-10-25-45 through 25-47, which requires both qualitative and quantitative evaluations. This Accounting Standards Update is the final version of Proposed Accounting Standards Update 2013-320—Development Stage Entities (Topic 915), which has been deleted. The amendments in this Update are effective for annual reporting periods beginning after December 15, 2014, and interim periods therein, and early adoption is required. The Company evaluated and adopted ASU 2014-10 for the reporting period ended June 30, 2014.

In June 2014, the Financial Accounting Standards Board issued Accounting Standards Update 2014-12, Compensation- Stock Compensation. The amendments in this update apply to reporting entities that grant their employees share-based payments in which the terms of the award provide that a performance target can be achieved after the requisite service period. This Accounting Standards Update is the final version of Proposed Accounting Standards Update EITF-13D—Compensation—Stock Compensation (Topic 718): Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period, which has been deleted. The proposed amendments would apply to reporting entities that grant their employees share-based payments in which the terms of the award provide that a performance target could be achieved after the requisite service period. This Accounting Standards Update is the final version of Proposed Accounting Standards Update EITF-13D—Compensation—Stock Compensation (Topic 718): Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period, which has been deleted. The amendments in this Update are effective for annual periods and interim periods within those annual periods beginning after December 15, 2015, and early adoption is permitted. The Company is currently evaluating the effects of ASU 2014-12 on the consolidated financial statements.

Subsequent Events – The Company's management reviewed all material events through the date of the condensed consolidated financial statements were issued for subsequent event disclosure consideration.

Note 2 – Related Party Transactions

MSKCC:

In 2010, General Atlantic Group Limited donated all of the equity shares of its wholly owned subsidiary, Actinium Holdings Ltd. (formerly named General Atlantic Investments Limited) to Memorial Sloan Kettering Cancer Center (MSKCC), a principal owner of the Company.

On February 11, 2002, the Company entered into a License, Development and Commercialization Agreement with Sloan-Kettering Institute of Cancer Research (SKI), an entity related to MSKCC ("License Agreement"). The agreement was amended in August 2006. Pursuant to the agreement, the Company licenses certain intellectual property from SKI, including critical patents with respect to the Company's core technology, and also supports ongoing research and clinical development of related drug candidates. MSKCC agreed, subject to certain conditions, to utilize the donated funds for certain clinical and preclinical programs and activities related to the Company's drug development and clinical study programs, including the payment of certain costs and expenses that would otherwise have been borne by the Company.

The Company is obligated to make the following milestone payments:

Milestones	Payments
(1) filing of an New Drug Application ("NDA") or regulatory approval for each licensed product	$ 750,000
(2) upon the receipt of regulatory approval from the U.S. FDA for each licensed product	1,750,000

Under the agreement, the Company shall pay to MSKCC on a country-by-country basis a royalty of 2% of net sales of all licensed products until the later of: (1) 10 years from the first commercial sale, or (2) when the patents expire.

Certain amounts due under the License Agreement were deferred and then forgiven under a forbearance-related arrangement. On June 19, 2011, the Company nonetheless agreed to pay SKI (a) $50,000 in 2011, (b) $200,000 in 2012 and (c) $250,000 in 2013 under this agreement, in respect of the $50,000 annual maintenance fees and research payments.

On September 4, 2013, the Company entered into a letter agreement with SKI to set forth the amount that the Company owes SKI for the period from 2011 to 2014 under the License Agreement. The total amount that the Company owes SKI for the period from 2011 to 2014 is $815,100 plus all relevant licensed intellectual property related pass through costs to be determined. The amount owed does not include amounts the Company may owe for patent expenses under the License Agreement. For 2013, the annual maintenance fee is $50,000 plus pass through costs.

On March 27, 2012, the Company entered into an additional clinical trial agreement with MSKCC Cancer Center with respect to conducting a Phase 1/2 trial of combination therapy of low dose cytarabine and fractionated dose of Lintuzumab-Ac225. The Company will pay $31,185 for each patient that has completed the clinical trial. Upon execution of the agreement, the Company paid a start-up fee of $79,623 in 2012.

For the three months ended June 30, 2014 and 2013, the Company did not incur any expenses for maintenance fees and research conducted by MSKCC. For the six months ended June 30, 2014 and 2013, the Company incurred $189,537 and $129,850, respectively, for maintenance fees and research conducted by MSKCC. As of June 30, 2014 and December 31, 2013, the Company has payable to MSKCC of $189,537 and $81,185, respectively, related to clinical trials.

Placement Agent:

On August 7, 2012, the Company entered into an engagement agreement with a Healthcare Investment Bank as its placement agent for the 2012 Common Stock Offering whereby a director of the Company, is the Head of Healthcare Investment Banking team. Pursuant to the agreement, the placement agent was engaged as the exclusive agent for the 2012 Common Stock Offering. In consideration for its services, the placement agent received (a) a cash fee equal to 10% of the gross proceeds raised in the 2012 Common Stock Offering, (b) a non-accountable expense reimbursement equal to 2% of the gross proceeds raised in the 2012 Common Stock Offering, and (c) reimbursement of $100,000 for legal expenses incurred by the placement agent. The placement agent or its designees also received warrants to purchase shares of the Company's Common Stock in an amount equal to 10% of the shares of common stock issued as part of the units sold in the 2012 Common Stock Offering and the shares of Common Stock issuable upon exercise of the B warrants included in such units. The placement agent also received the same fee and expense schedule for any cash exercise of warrants within 6 months of the final closing of the 2012 Common Stock Offering and a 5% solicitation fee for any warrants exercised as a result of being called for redemption by the Company. Upon the final closing of the 2012 Common Stock Offering of the units, the placement agent was engaged by the Company to provide certain financial advisory services to the Company for a period of at least 6 months for a monthly fee of $25,000. The agreement also provides that (i) if the Company consummates any merger, acquisition, business combination or other transaction (other than the Share Exchange) with any party introduced to it by the placement agent, the placement agent would receive a fee equal to 10% of the aggregate consideration in such transactions, and (ii) if, within a period of 12 months after termination of the advisory services described above, the Company requires a financing or similar advisory transaction the placement agent will have the right to act as the Company's financial advisor and investment banker in such financing or transaction pursuant to a set fee schedule set forth in the August 7, 2012 engagement agreement. For a period ending one year after the expiration of all lock-up agreements entered into in connection with the Share Exchange, any change in the size of the Company board of directors must be approved by the placement agent. The placement agent also was engaged by the Company as placement agent for its Stock Offering and Convertible Notes financing in 2011 and, as a part of the fee for that engagement, designees of the placement agent also hold warrants to purchase 1,251,015 shares of the Company's Common Stock.

On December 9, 2013, the Company entered into another engagement agreement with its placement agent for the 2013 Common Stock Offering. The agreement entered in on December 9, 2013 had similar terms as the 2012 agreement, including a cash fee equal to 10% of the gross proceeds raised, a non-accountable expense reimbursement equal to 2% of the gross proceeds raised and warrants to purchase shares of the Company's Common Stock in an amount equal to 10% of the shares of common stock issued or issuable. Subsequent to the closing of the 2013 offering, the placement agent continued to provide certain financial advisory services to the Company until three months after the Company had uplisted its securities for trading on a U.S. National Exchange for a monthly fee of $25,000.

On January 10, 2014, the Company conducted the final closing (the "Final Closing") of its private placement of securities (the "Offering") pursuant to a Unit Purchase Agreement, dated as of January 10, 2014 (the "Purchase Agreement") and Subscription Agreement, dated as of January 10, 2014 (the "Subscription Agreement"), with certain accredited investors (the "Investors") pursuant to which: the Investors at the Final Closing agreed to purchase (i) an aggregate of 551,810 shares (the "Shares") of common stock at $6.00 per share and (ii) five-year warrants to purchase an aggregate of 137,952 shares of common stock at an exercise price of $9.00 per share. The Company received $3,310,860 in gross proceeds from the sale of securities under the Purchase Agreement at the Final Closing, bringing the total gross proceeds received by the Company in the Offering to $6,636,720. The aggregate offering amount of securities sold to investors was increased from $6,000,000 to $6,636,720 in order to cover over-allotments.

During the six months ended June 30, 2014, the placement agent received a cash fee of approximately $0.4 million from the sale of securities and was issued warrants to purchase 68,976 shares of the Company's Common Stock at $9.00 per share for a period of 5 years.

On May 28, 2014, the Company and the placement agent agreed to terminate the December 9, 2013 engagement agreement.

Note 3 – Property and Equipment

Property and equipment consisted of the following at June 30, 2014 and December 31, 2013:

	Lives	June 30, 2014	December 31, 2013
Office equipment	3-5 years	$ 143,919	$ 15,480
Less: accumulated depreciation		(11,017)	(1,560)
Property and equipment, net		$ 132,902	$ 13,920

Depreciation expense for the three months ended June 30, 2014 and 2013 was $8,052 and $0, respectively. Depreciation expense for the six months ended June 30, 2014 and 2013 was $9,457 and $0, respectively. The Company wrote off some of its undepreciated property and equipment during the six months ended June 30, 2013 and recorded a loss of $4,122 on the disposition.

Note 4 – Note Payable

On December 28, 2013, the Company entered into a premium finance agreement to pay a $157,825 premium for its director and officer liability insurance policy. Pursuant to the agreement, the Company paid a down payment of $15,995 in January 2014 and is required to pay $15,995 in monthly installment for nine months. During the six months ended June 30, 2014 and 2013, the Company paid $102,855 and $103,050, respectively. As of June 30, 2014 and December 31, 2013, the outstanding balance related to the premium finance agreement was $54,970 and $157,825, respectively.

Note 5 – Derivatives

The Company has determined that certain warrants the Company has issued contain provisions that protect holders from future issuances of the Company's common stock at prices below such warrants' respective exercise prices and these provisions could result in modification of the warrants' exercise price based on a variable that is not an input to the fair value of a "fixed-for-fixed" option as defined under FASB ASC Topic No. 815 – 40. The warrants granted in connection with the issuance of the Company's Stock Offering and 2012 Common Stock Offering, the Convertible Notes (previously issued and converted) and the placement agent warrants contain anti-dilution provisions that provide for a reduction in the exercise price of such warrants in the event that future common stock (or securities convertible into or exercisable for common stock) is issued (or becomes contractually issuable) at a price per share (a "Lower Price") that is less than the exercise price of such warrant at the time. The amount of any such adjustment is determined in accordance with the provisions of the warrant agreement and depends upon the number of shares of common stock issued (or deemed issued) at the Lower Price and the extent to which the Lower Price is less than the exercise price of the warrant at the time.

Activities for derivative warrant instruments during the six months ended June 30, 2014 were as follows:

	Units	Fair Value
Balance, December 31, 2013	1,968,623	$ 6,707,255
Transfer from liability classification to equity classification	(193,661)	(1,501,988)
Change in fair value	-	4,621,360
Balance, June 30, 2014	1,774,962	$ 9,826,627

During the six months ended June 30, 2014, 662,160 warrants were exercised, of which 193,661 were derivative warrants. The fair value of these warrants totaling approximately $1,501,988 were measured on the various exercise dates and reclassified to additional paid-in capital.

The fair values of the derivative warrants were calculated using a modified binomial valuation model with the following assumptions at each balance sheet date.

	June 30, 2014	December 31, 2013
Market value of common stock on measurement date (1)	$ 7.22	$ 5.89
Adjusted exercise price	$ 2.48	$ 2.48
Risk free interest rate (2)	1.19%	1.27%
Warrant lives in years	3.5 years	0.5 years
Expected volatility (3)	73%	73%
Expected dividend yield (4)	-	-
Probability of stock offering in any period over 5 years (5)	25%	25%
Range of percentage of existing shares offered (6)	-	35%
Offering price range (7)	$ 7.50	$ 9

(1) The market value of common stock at the above measurement dates is based on the Company's trading price quoted on the OTC Markets for December 31, 2013 and on the NYSE MKT for June 30, 2014.

(2) The risk-free interest rate was determined by management using the Treasury Bill as of the respective measurement date.

(3) Because the Company does not have adequate trading history to determine its historical trading volatility, the volatility factor was estimated by management using the historical volatilities of comparable companies in the same industry and region.

(4) Management determined the dividend yield to be 0% based upon its expectation that it will not pay dividends for the foreseeable future.

(5) Management determines the probability of future stock offering at each evaluation date.

(6) Management estimates that the range of percentages of existing shares offered in each stock offering will be 0% and 35% of the shares outstanding at June 30, 2014 and December 31, 2013, respectively.

(7) Represents the estimated offering price range in future offerings as determined by management.

Note 6 – Commitments and Contingencies

License and Research Agreements

The Company has entered into license and research and development agreements with third parties under which the Company is obligated to make payments in the form of upfront payments as well as milestone and royalty payments. Notable inclusions in this category are:

a. Abbott Biotherapeutics Corp – The Company entered into a Product Development and Patent License Agreement with Abbott Biotherapeutics Corp. (formerly Facet Biotech formerly known as Protein Design Labs) in 2003 to secure exclusive rights to a specific antibody when conjugated with alpha emitting radioisotopes. Upon execution of the agreement, the Company made a license fee payment of $3,000,000.

The Company agreed to make milestone payments totaling $7,750,000 for the achievement of the following agreed to and contracted milestones:

Milestones	Payments
(1) when Company initiates a Phase I Clinical Trial of a licensed product	$ 750,000
(2) when Company initiates a Phase II Clinical Trial of a licensed product	750,000
(3) when Company initiates a Phase III Clinical Trial of a licensed product	1,500,000
(4) Biological License Application filing with U.S. FDA	1,750,000
(5) First commercial sale	1,500,000
(6) after the first $10,000,000 in net sales	1,500,000

Under the agreement, the Company shall pay to Abbott Biotherapeutics Corp on a country-by-country basis a royalty of 12% of net sales of all licensed products until the later of: (1) 12.5 years after the first commercial sale, or (2) when the patents expire.

The Company met its first milestone in 2012 and upon reaching the milestone the Company paid Abbott Biotherapeutics Corp. a milestone payment of $750,000 on July 24, 2012. The milestone payment for the Phase 1 Clinical Trial was recorded as research and development expense. The Company has not initiated a Phase 2 Clinical Trial and no payment has been made to Abbott Biotherapeutics Corp. since the July 24, 2012 payment.

b. Memorial Sloan Kettering Cancer Center (MSKCC) – see related party disclosure.

c. Oak Ridge National Laboratory (ORNL) – The Company is contracted to purchase radioactive material to be used for research and development, with a renewal option at the contract end. For 2013, the Company was obligated and paid approximately $0.3 million to purchase of radioactive material with ORNL. For 2014, the Company signed a contract with ORNL to purchase $0.4 million of radioactive material.

d. AptivSolutions provides project management services for the study of the drug Ac-225-HuM195 (Actimab-A) used in the Company's Phase 1 and Phase 2 clinical trials. The total project is estimated to cost approximately $1.9 million and requires a 12.5% down payment of the total estimated project cost. The down payment totaling $239,000 was paid in 2007 and 2012. On August 6, 2012, October 22, 2012 and May 16, 2013, the agreement was amended to provide for additional services. The total project is now estimated at approximately $2.2 million. As of June 30, 2014, approximately $1.1 million has been expensed to date. AptivSolutions bills the Company when services are rendered and the Company records the related expense to research and development costs.

e. On June 15, 2012, the Company entered into a license and sponsored research agreement with Fred Hutchinson Cancer Research Center (FHCRC) to build upon previous and ongoing clinical trials, with BC8 (licensed antibody). FHCRC has currently completed Phase 1 and Phase 2 of the clinical trial and the Company intends to start preparation for a pivotal trial leading to an FDA approval. The Company has been granted exclusive rights to the BC8 antibody and related master cell bank developed by FHCRC. The cost to develop the trial will range from $13.2 million to $23.5 million, depending on the trial design as required by the FDA. Under the terms of the sponsored research agreement, the Company will fund the FHCRC lab with $150,000 per year for the first two years and $250,000 thereafter. Payments made toward funding the lab will be credited toward royalty payments owed to FHCRC in the given year. A milestone payment of $1 million will be due to FHCRC upon FDA approval of the first drug. Upon commercial sale of the drug, royalty payments of 2% of net sales will be due to FHCRC.

During the six months ended June 30, 2014 and 2013, the Company recorded fees of $75,000 and $75,000, respectively, related to this agreement.

f. On July 19, 2012, the Company entered into a clinical trial agreement with FHCRC. The Company will pay $31,366 for each patient that has completed the clinical trial. The Company paid a start-up fee of $19,749 in 2013. During the clinical trial additional fees apply and will be invoiced when applicable. For the six months ended June 30, 2014, the Company paid approximately $16,000 for patient enrollment.

g. On August 28, 2012, the Company entered into a clinical trial agreement with The University of Texas M.D. Anderson Cancer Center. The total estimated cost of conducting the clinical trial is approximately $500,000, which includes a non-refundable institutional fee of $14,500. The estimated cost is based on treating 24 patients through 2013. Upon execution of the agreement, the Company paid $33,946. During 2013, there was one patient treated and the Company paid $34,383 in July 2013. There have been no patients treated in 2014.

h. On September 26, 2012, the Company entered into a clinical trial agreement with Johns Hopkins University. The Phase 1/2 clinical trial will be conducted with Actinium 225. The clinical trial will be conducted under the protocols established by the Company and pursuant to an Investigational New Drug Exemption (IND 10807) held by the Company. The Company will pay $38,501 per patient, who has completed the clinical trial. The Company is required to pay a start-up fee of $22,847, an annual pharmacy fee of $2,025 and an amendment processing fee of $500, when applicable. There were no payments made during the six months ended June 30, 2104 for this agreement.

i. On November 21, 2012, the Company entered into a clinical trial agreement with the University of Pennsylvania. The Phase 1/2 clinical trial will be conducted with Actinium 225. The clinical trial will be conducted under the protocols established by the Company and pursuant to an Investigational New Drug Exemption (IND 10807) held by the Company. The Company will pay $31,771 per patient, who has completed the clinical trial. The Company will be required to pay a start-up fee of $16,000 and additional administrative fees, when applicable. The Company accrued the $16,000 fee at December 31, 2013 and paid the fee in January 2014.

j. On January 27, 2014, the Company entered into a manufacturing agreement with Goodwin Biotechnology Inc. (“Goodwin”). Goodwin will oversee the current Good Manufacturing Practices (cGMP) production of a monoclonal antibody anticipated to be used in an upcoming phase 3 clinical trial of Iomab™-B. Total cost of the agreement is $2,813,960. The Company paid a non-refundable payment of $562,790 upon execution of the agreement. Periodic payments will be made upon reaching certain milestones. As of June 30, 2014, the remaining cost of the agreement is approximately $2.1 million.

k. On June 20, 2014, the Company entered into a CRO agreement with Act Oncology. Act Oncology provides project management services for the study of Iomab-B used for the intended Phase 3 clinical trial. The total project is estimated to cost approximately $0.8 million. The Company paid approximately $0.1 million during the six months ended June 30, 2014. Act Oncology bills the Company when services are rendered and the Company records the related expense to research and development costs.

On August 1, 2012, the Company entered into a rental agreement for office space at 501 Fifth Avenue, New York, NY. The agreement terminated on May 31, 2013. On June 4, 2013 and amended on October 4, 2013, the Company entered into two rental agreements for office space at 546 Fifth Avenue, New York, NY. One of the agreements terminated on July 6, 2014. The Company maintains office space at 546 Fifth Avenue, New York, NY through December 31, 2014. The Company paid a one month refundable deposit. On April 22, 2014, the Company entered into a sublease agreement for office space located at 379 Thornall Street, Edison, NJ. This agreement terminates on September 30, 2016. The Company issued a security deposit of $34,733 to the existing tenant.

Note 7 – Equity

In January 2014, the Company completed the final tranche of a private placement of the Company's common stock and warrants and received approximately $3.3 million total gross proceeds from accredited investors ("2014 Closing"). The Company paid its placement agent total cash fees of approximately $395,000 and paid attorney fees of $40,000 for their services resulting in net proceeds of $2,873,557. In the 2014 Closing, the Company sold 551,810 shares of common stock at $6.00 per share and granted 137,952 units of five-year warrants with an exercise price of $9.00 per share. The warrants are exercisable for a period of five years from the date of issuance. The transaction date fair value of the warrants of $0.6 million was determined utilizing the Black-Scholes option pricing model utilizing the following assumptions: risk free interest rateh1.64%, expected volatility - 88%, expected dividend yield - 0%, and a contractual life of 5 years. As of June 30, 2014, all the warrants were outstanding.

On March 24, 2014, the Company filed a shelf registration statement on Form S-3 (the "Registration Statement") which was effective on April 17, 2014. This Registration Statement contained two prospectuses: (i) a base prospectus which covers the offering, issuance and sale by the Company of up to $200,000,000 of its common stock, preferred stock, warrants and/or units; and (ii) a sales agreement prospectus covering the offering, issuance and sale by us of up to a maximum aggregate offering price of $75,000,000 of its common stock that may be issued and sold under a sales agreement (the "Sales Agreement") with MLV & Co. LLC ("MLV") dated March 24, 2014. The Company will pay MLV in cash, upon the sale of common stock pursuant to the Sales Agreement, an amount equal to 3.0% of the gross proceeds from the sale of common stock. On April 28, 2014 the Company issued 500 shares and received net proceeds of $6,000 under the Sales Agreement with MLV.

Placement Agent – During January 2014, in connection with the Common Stock Offering, the Company issued the Placement Agent warrants to purchase an aggregate of 68,976 shares of common stock with an exercise price of $9.00 per share. The transaction date fair value of the warrants of $0.2 million was determined utilizing the Black-Scholes option pricing model utilizing the following assumptions: risk free interest rate – 1.64%, expected volatility - 88%, expected dividend yield - 0%, and a contractual life of 5 years.

Public Offering - On June 30, 2014, the Company received gross proceeds of $12,525,000. The Company paid an underwriting discount of $876,750, paid the other offering expenses of $125,000, and paid attorney and auditor fees of $72,000 resulting in net proceeds of $11,451,250 from the public offering of 1,670,000 shares of the Company's common stock, $0.001 par value per share at a price to the public of $7.50 per share less underwriting discounts. Under the terms of the underwriting agreement, the Company also granted the Underwriters a 30-day option to purchase up to an additional 250,000 shares of common stock to cover over-allotments, if any, at the offering price.

Approval of the Equity Incentive Plan

During the six months ended June 30, 2013, the Company did not grant any shares of restricted stock. During the six months ended June 30, 2014, the Company granted 445,167 shares of restricted stock and cancelled 50,000 shares of restricted stock. Of the total shares of restricted stock, 20,000 shares vest 3 months from the grant date, 22,500 shares vest 1 year from the grant date, 199,167 shares have a vesting period of 4 years and 200,000 shares vest at date of grant. The remaining restricted shares granted are performance based and upon the achievement of certain milestones.

Stock Option Plan

The following is a summary of stock options activities for the six months ended June 30, 2014:

	Number of Units	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Outstanding, December 31, 2013	1,985,384	$ 3.23	8.34	$ 5,908,696
Issued	979,100	9.85	10.00	-
Exercised	(11,655)	0.78	-	-
Outstanding, June 30, 2014	2,952,829	$ 5.45	8.35	$ 8,300,565
Exercisable, June 30, 2014	868,287	$ 0.98	5.99	$ 5,418,017

During the six months ended June 30, 2014, the Company granted employees and board members 979,100 options to purchase the Company's common stock with exercise prices ranging from $5.55 to $11.95 and a term of 10 years and with vesting over a 4-year period. The options have a fair value of $7.1 million that was calculated using the Black-Scholes option-pricing model. Variables used in the Black-Scholes option-pricing model include: (1) discount rate of 1.88% - 2.07% (2) expected life of 6 years, (3) expected volatility of 87.06% to 87.76%, and (4) zero expected dividends.

During six months ended June 30, 2014, the Company received gross proceeds of $5,220 for exercise of options for 11,655 shares of the Company's common stock.

All options issued and outstanding are being amortized over their respective vesting periods. The unrecognized compensation expense at June 30, 2014 was $10,165,000. During the three months ended June 30, 2014 and 2013, the Company recorded option expense of $607,791 and $94,200, respectively. During the six months ended June 30, 2014 and 2013, the Company recorded option expense of $889,195 and $188,400, respectively.

Warrants

Following is a summary of warrant activities for the six months ended June 30, 2014:

	Number of Units	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Outstanding, December 31, 2013	9,673,290	$ 1.06	4.89	$ 47,396,307
Granted	406,928	7.96	7.46	
Exercised	(662,160)	1.44		
Outstanding, June 30, 2014	9,418,058	$ 1.33	4.54	$ 56,362,310
Exercisable, June 30, 2014	9,195,074	$ 1.16	4.42	$ 56,183,393

During the six months ended June 30, 2014, the Company granted warrants to purchase 137,952 shares of the Company's common stock to investors and warrants to purchase 68,976 shares of the Company's common stock to its placement agent in connection with the 2014 Closing.

During the six months ended June 30, 2014, the Company also granted consultants warrants to purchase 200,000 shares of the Company's common stock with exercise prices ranging from $5.55 to $11.66 per share and a term of 10 years. These warrants vest when certain milestones are met.

During the six months ended June 30, 2014, 662,160 warrants were exercised by the warrant holders. The Company issued 573,299 shares of common stock and received gross proceeds of $96,868.

During the six months ended June 30, 2014 and 2013, the Company recorded stock-based compensation related to the warrants of $98,224 and $0, respectively.

Note 8 – Subsequent Events

During July 2014, the Company issued 176,211 shares of restricted stock to warrant holders.

On July 7, 2014, the Company filed a Form S-8 to offer the resale of up to 6,750,000 shares of common stock previously granted under the Equity Incentive Plan. Pursuant to the Form S-8, the Company issued 61,538 shares to an investor and received proceeds of $48,000.

On July 10, 2014, the Underwriters exercised their over-allotment option to purchase an additional 157,123 shares from the Company for $7.50 per share. Including the exercise of the over-allotment option of $1.2 million, gross, Actinium's offering totaled 1,827,123 shares, representing gross proceeds of approximately $13.7 million and approximately $12.5 million net after deducting the underwriting discount and the other offering expenses.

On July 25, 2014, the Company entered into an agreement with a consultant. According to the agreement, the Company granted and issued 150,000 restricted shares to a consultant and also made a $250,000 for services to be provided over a six month period.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

FORWARD-LOOKING STATEMENT NOTICE

This Form 10-Q contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. For this purpose, any statements contained in this Form 10-Q that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the foregoing, words such as "may," "will," "expect," "believe," "anticipate," "estimate" or "continue" or comparable terminology are intended to identify forward-looking statements. These statements by their nature involve substantial risks and uncertainties, and actual results may differ materially depending on a variety of factors, many of which are not within our control. These factors include but are not limited to economic conditions generally and in the industries in which we may participate; competition within our chosen industry, including competition from much larger competitors; technological advances and failure to successfully develop business relationships.

Description of Business

Actinium is a biotechnology company committed to developing breakthrough therapies for life threatening diseases using its alpha particle immunotherapy (APIT) platform and other related and similar technologies. Actinium, together with its wholly owned subsidiary, MedActinium, Inc. (MAI), (hereinafter referred to collectively as "Actinium") has initiated collaborative efforts with large institutions to establish the proof of concept of alpha particle immunotherapy and has supported one Phase 1/2 clinical trial and one Phase 1 clinical trial at Memorial Sloan-Kettering Cancer Center ("MSKCC") under an MSKCC Physician IND Application. In 2012, Actinium launched a multi-center corporate sponsored trial in acute myeloid leukemia (AML) patients. Actinium's objective, through research and development, is to produce reliable cancer fighting products which utilize monoclonal antibodies linked with alpha particle emitters or other appropriate payloads to provide very potent targeted therapies. The initial clinical trials of Actinium's compounds have been with patients having acute myeloid leukemia and it is believed that Actinium's APIT platform will have wider applicability for different types of cancer where suitable monoclonal antibodies can be found.

We were incorporated under the laws of the State of Nevada on October 6, 1997. We were a shell entity that was in the market for a merger with an appropriate operating company.

On December 28, 2012, we entered into a transaction (the "Share Exchange"), pursuant to which the Company acquired 21% of the issued and outstanding equity securities of Actinium Pharmaceuticals, Inc. ("Actinium"), in exchange for the issuance of 4,309,015 shares of common stock, par value $0.001 per share, of the Company (the "Common Stock"), which were issued to the shareholders of Actinium. As a result of the Share Exchange, the former shareholders of Actinium became the controlling shareholders of the Company. The Share Exchange was accounted for as a reverse takeover/recapitalization effected by a share exchange, wherein Actinium is considered the acquirer for accounting and financial reporting purposes. As a result of the Share Exchange, the Company assumed the business and operations of Actinium.

On March 11, 2013, Actinium Corporation continued its Share Exchange with us, whereby we acquired an additional 36% of the issued and outstanding capital stock of Actinium Corporation from the Actinium Corporation Shareholders in exchange for the issuance of 7,344,390 shares of Common Stock of us to the Actinium Shareholders.

On April 11, 2013, the change of domicile from the State of Nevada to the State of Delaware and the change of Cactus Ventures, Inc.'s name from Cactus Ventures, Inc. to Actinium Pharmaceuticals, Inc. became effective in accordance with Articles of Merger filed with the State of Nevada and a Certificate of Merger filed with the State of Delaware. In connection with the name change we also changed (i) the name of our subsidiary Actinium Pharmaceuticals, Inc. to Actinium Corporation, (ii) our par value to $0.001 per share, and (iii) the number of authorized shares of preferred stock to 10 million shares. Effective April 18, 2013 our new trading symbol became ATNM. On September 25, 2013, we merged with our subsidiary, Actinium Corporation, and we were the surviving entity of the merger. In January 2014 we increased our authorized shares of common stock to 200 million shares and authorized shares of preferred stock to 50 million shares.

On August 22, 2013, Actinium Corporation continued its Share Exchange with us, whereby we acquired an additional 38.2% of the issued and outstanding capital stock of Actinium Corporation from the Actinium Corporation Shareholders in exchange for the issuance of 8,009,550 shares of Common Stock of us to the Actinium Shareholders. On September 25, 2013 in accordance with a Certificate of Ownership Merging Actinium Corporation into us, we merged with Actinium Corporation, and Actinium Corporation ceased to exist. As a result of the merger, Actinium Corporation stock owned by us has been cancelled and each share of Actinium Corporation not owned by us was exchanged for 0.333 shares of our common stock.

On March 26, 2014, we began trading our common stock on the NYSE MKT market.

Plan of Operation

We develop drugs for treatment of cancer with intent to cure or significantly improve survival of the affected patients. As of now none of our drugs have been approved for sale in the United States or elsewhere. We have no commercial operations in sales or marketing of our products. All our product candidates are under development. In order to market and sell our products we must conduct clinical trials on patients and obtain regulatory approvals from appropriate regulatory agencies like the Food and Drug Administration (FDA) in the United States and similar agencies elsewhere in the world.

Our products under development are monoclonal antibodies labeled with radioisotopes. We have one program with an antibody labeled with a beta emitter and several programs based on a proprietary patent protected platform technology called APIT. Our APIT technology is based on attaching actinium 225 (Ac-225) or bismuth 213 (Bi-213) alpha emitting radioisotopes to monoclonal antibodies. Alpha emitting radioisotopes are unstable chemical elements that decay by releasing alpha particles. Alpha particles can kill any cell in the immediate proximity of where they are released. Monoclonal antibodies are genetically engineered proteins that specifically target certain cells, including cancer cells. It is crucial for the success of our drug candidates to contain monoclonal antibodies that can successfully seek cancer cells and can kill them with the attached isotope while not harming nearby normal cells. We do not have technology and operational capabilities to develop and manufacture such monoclonal antibodies and we therefore rely on collaboration with third parties to gain access to such monoclonal antibodies. We have secured rights to two monoclonal antibodies, HuM195 (Lintuzumab), in 2003 through a collaborative licensing agreement with Abbott Laboratories and BC8 in 2012 with the Fred Hutchinson Cancer Research Center ("FHCRC"). We expect to negotiate collaborative agreements with other potential partners that would provide us with access to additional monoclonal antibodies. Establishing and maintaining such collaborative agreements is a key to our success as a company.

Under our own sponsorship as well as activity at FHCRC, we have four product candidates in active clinical trials: Actimab™-A (HuM195-Ac-225), Iomab™-B (BC8-I-131), BC8-Y-90 and BC8-SA. At this time, the Company is actively pursuing development of Actimab™-A and Iomab™-B while BC8-Y-90 and BC8-SA are in physician sponsored clinical phase 1 trials at the FHCRC. Actimab™-A is a combination of the monoclonal antibody we have in-licensed, Lintuzumab (HuM195), and the alpha emitting isotope actinium 225. Actimab™-A has shown promising results throughout preclinical development and an ongoing clinical trial started in 2006 in AML in the elderly. We have expanded the number of patients and number of clinical centers by commencing a new AML clinical trial which we have launched in 2012. This trial targets newly diagnosed AML patients over the age of 60. In order to conduct the trial we are engaged in funding, monitoring and quality assurance and control of the Lintuzumab antibody; procurement of actinium 225 isotope; funding, monitoring and quality assurance and control of the drug candidate Actimab™-A manufacturing and organizing and monitoring clinical trials. We estimate that the direct costs to completion of both parts of the ongoing Phase 1/2 trial will be approximately $7 million. Iomab™-B is a combination of the in-licensed monoclonal antibody BC8 and the beta emitting radioisotope iodine 131. This construct has been extensively tested in Phase I and Phase 2 clinical trials in approximately 250 patients with different blood cancer indications who were in need of a hematopoietic stem cell transplantation (HSCT). Iomab™-B is used to condition the bone marrow of these patients by destroying blood cancer cells in their bone marrow and elsewhere thus allowing for a subsequent transplant containing healthy donor bone marrow stem cells. We have decided to develop this drug candidate by initially focusing on the patients over 50 with active acute myeloid leukemia in relapse and/or refractory to existing treatments. Our intention is to request the FDA in 2014 to allow us to enter into a pivotal trial with Iomab™-B. We estimate the direct costs of such a trial to completion anticipated in 2016 will be approximately $25-30 million.

We have primarily management position employees and consultants who direct, organize and monitor the activities described above through contractors. Much of the *in vivo* laboratory and clinical work contracted for by the Company has been conducted at MSKCC in New York. We also made clinical trial arrangements with other well-known cancer centers. Our Actimab™-A drug candidate and its components are contract manufactured and maintained under our supervision by specialized contract manufacturers and suppliers in the United States, including IsoTex Diagnostics, Oak Ridge National Laboratory, Pacific GMP, Fischer Bioservices, BioReliance and others.

We are a development stage company and have never generated revenue. Currently we do not have a stable recurring source of revenues sufficient to cover our operating costs. As of June 30, 2014, we had an accumulated deficit of $79.7 million. We incurred net income for the three months ended June 30, 2014 of approximately $3.5 million compared to a net loss of $2.8 million for the three months ended June 30, 2013. We incurred net losses of $13.2 million and $3.5 million for the six months ended June 30, 2014 and 2013, respectively.

Opportunities, Challenges and Risks

The market for drugs for cancer treatment is a large market in need of novel products, in which successful products can command multibillion dollars in annual sales. A number of large pharmaceutical and biotechnology company regularly acquire products in development, with preference given to products in Phase 2 or later clinical trials. These deals are typically structured to include an upfront payment that ranges from several million dollars to tens of million dollars or more and additional milestone payments tied to regulatory submissions and approvals and sales milestones. Our goal is to develop our product candidates through Phase 2 clinical trials and enter into partnership agreements with one or more large pharmaceutical and/or biotechnology companies.

We believe our future success will be heavily dependent upon our ability to successfully conduct clinical trials and preclinical development of our drug candidates. This will in turn depend on our ability to continue our collaboration with MSKCC and our Clinical Advisory Board members. In addition, we plan to continue and expand other research and clinical trial collaborations. Moreover, we will have to maintain sufficient supply of actinium 225 and successfully maintain and if and when needed replenish or obtain our reserves of monoclonal antibodies. We will have to maintain and improve manufacturing procedures we have developed for production of our drug candidates from the components that include the iodine 131 and actinium 225 isotopes, monoclonal antibodies and other materials. It is possible that despite our best efforts our clinical trials results may not meet regulatory requirements for approval. If our efforts are successful, we will be able to partner our development stage products on commercially favorable terms only if they enjoy appropriate patent coverage and/or considerable know-how and other protection that ensures market exclusivity. For that reason we intend to continue our efforts to maintain existing and generate new intellectual property. Intellectual property is a key factor in the success of our business as well as market exclusivity.

To achieve the goals discussed above we intend to continue to invest in research and development at high and constantly increasing rates thus incurring further losses until one or more of our products are sufficiently developed to partner them to large pharmaceutical and biotechnology companies.

Results of Operations – Three Months Ended June 30, 2014 Compared to the Three Months Ended June 30, 2013

The following table sets forth, for the periods indicated, data derived from our statements of operations:

	For the three months ended June 30,	
	2014	**2013**
Revenues	$ —	$ —
Operating expenses:		
Research and development, net of reimbursements	2,001,937	509,262
General and administrative	2,414,627	966,367
Depreciation expense	8,052	—
Total operating expenses	4,424,616	1,475,629
Other income (expense):		
Interest expense	—	(634)
Gain (loss) on change in fair value of derivative liabilities	7,939,711	(1,307,748)
Total other income (expense)	7,939,711	(1,308,382)
Net income (loss)	$ 3,515,095	$ (2,784,011)

Revenues

We recorded no commercial revenues for the three months ended June 30, 2014 and 2013.

Research and Development Expense

Research and development expenses increased by approximately $1.5 million to approximately $2.0 million for the three months ended June 30, 2014 compared to approximately $0.5 million for the three months ended June 30, 2013. The increase is primarily attributable to the manufacturing of BC8, the antibody that is the key component of Iomab-B in-licensed by the Company in 2012 and the costs related to continuing the multi-center clinical trial for Actimab™-A which commenced in the third quarter of 2012. The increased expenses also reflect development work on significantly improving the efficacy and cost structure of the Actimab™-A manufacturing and costs related to Iomab-B's clinical development and regulatory submissions. We expect to incur increased research and development costs in the future.

General and Administrative Expenses

Overall, total general and administrative expenses increased by approximately $1.4 million to $2.4 million for the three months ended June 30, 2014 compared to approximately $1.0 million for the three months ended June 30, 2013. The increase was largely attributable to increases in professional fees, staffing, and the stock-based compensation incurred by the Company as discussed below.

The increase can also be attributed to additional professional fees associated with the Company listing its common stock on the NYSE MKT. In addition to the professional fees incurred, we increased our personnel. As such, payroll-related expenses for the three months ended June 30, 2014 increased compared to the same period in 2013. We expect to incur increased general and administrative costs in the future.

Other Income (Expense)

Other income was approximately $7.9 million for the three months ended June 30, 2014 compared to other expense of $1.3 million for the three months ended June 30, 2013. The Company recorded a gain on the change in fair value of the Company's embedded derivative liability in the approximate amount $7.9 million during the three months ended June 30, 2014 as compared to a loss of approximately $1.3 million during the comparable three-month period ended June 30, 2013. The change is mainly attributable to the fluctuation of the Company's stock price.

Net Income (Loss)

Net income increased by approximately $6.3 million to approximately $3.5 million for the three months ended June 30, 2014 compared to a net loss of approximately $2.8 million for the three months ended June 30, 2013. The increase was primarily due to an increase in the gain from change in fair value of the derivative liability, offset by additional costs incurred by the Company in research and development expenses, non-cash stock-based compensation costs and professional fees as discussed above.

Results of Operations – Six Months Ended June 30, 2014 Compared to the Six Months Ended June 30 2013

The following table sets forth, for the periods indicated, data derived from our statements of operations:

	For the six months ended June 30,	
	2014	**2013**
Revenues	$ —	$ —
Operating expenses:		
Research and development, net of reimbursements	4,462,905	1,594,968
General and administrative	4,090,680	1,899,503
Depreciation expense	9,457	—
Loss on disposition of equipment	—	4,122
Total operating expenses	8,563,042	3,498,593
Other income (expense):		
Interest expense	—	(1,209)
Gain (loss) on change in fair value of derivative liabilities	(4,621,360)	26,764
Total other income (expense)	(4,621,360)	25,555
Net loss	$ (13,184,402)	$ (3,473,038)

Revenues

We recorded no commercial revenues for the six months ended June 30, 2014 and 2013.

Research and Development Expense

Research and development expenses increased by approximately $2.9 million to approximately $4.5 million for the six months ended June 30, 2014 compared to approximately $1.6 million for the six months ended June 30, 2013. The increase is primarily attributable to the manufacturing of BC8, the antibody that is the key component of Iomab-B in-licensed by the Company in 2012 and the costs related to continuing the multi-center clinical trial for Actimab™-A which commenced in the third quarter of 2012. The increased expenses also reflect development work on significantly improving the efficacy and cost structure of the Actimab™-A manufacturing and costs related to Iomab-B's clinical development and regulatory submissions. We expect to incur increased research and development costs in the future.

General and Administrative Expenses

Overall, total general and administrative expenses increased by approximately $2.2 million to $4.1 million for the six months ended June 30, 2014 compared to approximately $1.9 million for the six months ended June 30, 2013. The increase was largely attributable to increases in professional fees, staffing, and the stock-based compensation incurred by the Company as discussed below.

The increase can also be attributed to additional professional fees associated with the Company listing its common stock on the NYSE MKT. In addition to the professional fees incurred, we increased our personnel. As such, payroll-related expenses for the six months ended June 30, 2014 increased compared to the same period in 2013. We expect to incur increased general and administrative costs in the future.

Other Income (Expense)

Other expense was $4.6 million for the six months ended June 30, 2014 compared to other income of $25,555 for the six months ended June 30, 2013. The Company recorded a loss on the change in fair value of the Company's embedded derivative liability in the approximate amount $4.6 million during the six months ended June 30, 2014 as compared to a gain of approximately $27,000 during the comparable six month period ended June 30, 2013. The change is mainly attributable to the fluctuation of the Company's stock price.

Net Loss

Net loss increased by approximately $9.7 million to approximately $13.2 million for the six months ended June 30, 2014 compared to approximately $3.5 million for the six months ended June 30, 2013. The increase was primarily due to an increase in the loss from change in fair value of the derivative liability, in conjunction with additional costs incurred by the Company in research and development expenses, non-cash stock-based compensation costs and professional fees as discussed above.

Liquidity and Capital Resources

We have financed our operations primarily through sales of the Company's stock.

We did not have any cash or cash equivalents held in financial institutions located outside of the United States as of June 30, 2014 and December 31, 2013. We do not anticipate this practice will change in the future.

The following tables sets forth selected cash flow information for the periods indicated:

	For the six months ended June 30,	
	2014	**2013**
Cash used in operating activities	$ (5,062,072)	(3,327,820)
Cash used in investing activities	(128,439)	(1,112)
Cash provided by financing activities	14,327,958	3,360,591
Net change in cash	$ 9,137,447	$ 31,659

Net cash used in operating activities was approximately $5.1 million for the six months ended June 30, 2014 compared to approximately $3.3 million used in operations for the same period in 2013. Cash used in operations increased due to the increase in spending related to preparations and eventual launch and conduct of a multicenter clinical trial and an increase in spending related to professional fees combined with an increase in payroll-related expenses. A significant increase in stock-based compensation as well as the loss on the change in fair value of the derivative liabilities accounted for the increase in cash used in operations.

Net cash provided by financing activities were approximately $14.3 million and approximately $3.4 million for the six months ended June 30, 2014 and 2013, respectively. During the six months ended June 30, 2014, the Company issued common stock and received net proceeds of approximately $14.3 million compared to approximately $3.5 million received during the six months ended June 30, 2013 from the exercise of warrants.

We have experienced cumulative losses of approximately $79.7 million from inception (June 13, 2000) through June 30, 2014, and have stockholders' equity of $4.3 million at June 30, 2014.

Recent Equity Offerings

In December 2013, we completed the sale of units pursuant the Unit Purchase Agreement, dated December 27, 2013 (the "December Purchase Agreement"), and Subscription Agreement, dated December 27, 2013 (the "December Subscription Agreement"), among the Company and certain accredited investors. The securities sold in the offering consisted of an aggregate of (i) 554,310 shares of its common stock, and (ii) warrants to purchase 138,577 shares of its Common Stock at an in exercise price of $9.00 per share, subject to adjustment ("2013 Common Stock Offering"). The warrants are exercisable for a period of five years from the date of issuance. The Company received gross proceeds of approximately $3.3 million from the sale of securities under the Purchase Agreement.

On January 10, 2014, we conducted the final closing (the "Final Closing") of its private placement of securities (the "Offering") pursuant to a Unit Purchase Agreement, dated as of January 10, 2014 (the "January Purchase Agreement") and Subscription Agreement, dated as of January 10, 2014 (the "January Subscription Agreement"), with certain accredited investors named therein (the "Investors") pursuant to which: the Investors at the Final Closing agreed to purchase (i) an aggregate of 551,810 shares (the "Shares") of common stock at $6.00 per share and (ii) five-year warrants to purchase an aggregate of 137,952 shares of common stock at an exercise price of $9.00 per share (the "Warrants"). We received $3,310,860 in gross proceeds from the sale of securities under the January Purchase Agreement at the Final Closing, bringing the total gross proceeds received by the Company in the Offering to $6,636,720. The aggregate offering amount of securities sold to investors was increased from $6,000,000 to $6,636,720 in order to cover over-allotments.

On March 24, 2014, we filed a shelf registration statement on Form S-3 (the "Registration Statement") and deemed effective on April 17, 2014. This Registration Statement contained two prospectuses: (i) a base prospectus which covers the offering, issuance and sale by the Company of up to $200,000,000 of its common stock, preferred stock, warrants and/or units; and (ii) a sales agreement prospectus covering the offering, issuance and sale by us of up to a maximum aggregate offering price of $75,000,000 of its common stock that may be issued and sold under a sales agreement (the "Sales Agreement") with MLV & Co. LLC ("MLV"). For the six months ended June 30, 2014, the Company issued 500 shares under this agreement totaling approximately $6,000.

Sales of the our common stock through MLV, if any, will be made on the NYSE MKT LLC, on any other existing trading market for the common stock or to or through a market maker. Subject to the terms and conditions of the Sales Agreement, MLV will use commercially reasonable efforts to sell our common stock from time to time, based upon our instructions (including any price, time or size limits or other customary parameters or conditions we may impose). We will pay to MLV in cash, upon the sale of common stock pursuant to the Sales Agreement, an amount equal to 3.0% of the gross proceeds from the sale of common stock. We have also provided MLV with customary indemnification rights.

On June 30, 2014, the Company received gross proceeds of approximately $12.5 million. The Company paid an underwriting discount of $0.9 million, paid the other offering expenses of $125,000, and paid attorney and auditor fees of $72,000 resulting in net proceeds of approximately $11.9 million from the public offering of 1,670,000 shares of the Company's common stock, $0.001 par value per share at a price to the public of $7.50 per share less underwriting discounts. Under the terms of the underwriting agreement, the Company granted the Underwriters a 30-day option to purchase up to an additional 250,000 shares of common stock to cover over-allotments, if any, at the offering price. On July 10, 2014, the Underwriters exercised their over-allotment and purchased an additional 157,123 shares of the Company's common stock for gross proceeds of approximately $1.2 million.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Seasonality

We do not have a seasonal business cycle. Our revenues and operating results are generally derived evenly throughout the calendar year.

Critical Accounting Policies

Our financial statements have been prepared in accordance with accounting principles generally accepted in the United States. To prepare these consolidated financial statements, we must make estimates and assumptions that affect the reported amounts of assets and liabilities. These estimates also affect our expenses. Judgments must also be made about the disclosure of contingent liabilities. Actual results could be significantly different from these estimates. We believe that the following discussion addresses the accounting policies that are necessary to understand and evaluate our reported financial results.

Derivatives

All derivatives are recorded at fair value and recorded on the balance sheet. Fair values for securities traded in the open market and derivatives are based on quoted market prices. Where market prices are not readily available, fair values are determined using market based pricing models incorporating readily observable market data and requiring judgment and estimates.

Fair Value of Financial Instruments

Fair value is defined as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants. A fair value hierarchy has been established for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The fair value hierarchy is as follows:

- Level 1 Inputs – Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

- Level 2 Inputs – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These might include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (such as interest rates, volatilities, prepayment speeds, credit risks, etc.) or inputs that are derived principally from or corroborated by market data by correlation or other means.

- Level 3 Inputs – Unobservable inputs for determining the fair values of assets or liabilities that reflect an entity's own assumptions about the assumptions that market participants would use in pricing the assets or liabilities.

Income Taxes

The Company uses the asset and liability method in accounting for income taxes. Under this method, deferred tax assets and liabilities are determined based on differences between financial reporting and income tax carrying amounts of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company reviews deferred tax assets for a valuation allowance based upon whether it is more likely than not that the deferred tax asset will be fully realized. A valuation allowance, if necessary, is provided against deferred tax assets, based upon management’s assessment as to their realization.

Research and Development Costs

Research and development costs are expensed as incurred. Research and development reimbursements and grants are recorded by the Company as a reduction of research and development costs.

Share-Based Payments

The Company estimates the fair value of each stock option award at the grant date by using the Black-Scholes option pricing model and common shares based on the last common stock valuation done by third party valuation expert of the Company's common stock on the date of the share grant. The fair value determined represents the cost for the award and is recognized over the vesting period during which an employee is required to provide service in exchange for the award. As share-based compensation expense is recognized based on awards ultimately expected to vest, the Company reduces the expense for estimated forfeitures based on historical forfeiture rates. Previously recognized compensation costs may be adjusted to reflect the actual forfeiture rate for the entire award at the end of the vesting period. Excess tax benefits, if any, are recognized as an addition to paid-in capital.

Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board issued Accounting Standards Update 2014-09, Revenue from Contracts with Customers. Amendments in this Update create Topic 606, Revenue from Contracts with Customers, and supersede the revenue recognition requirements in Topic 605, Revenue Recognition, including most industry-specific revenue recognition guidance throughout the Industry Topics of the Codification. In addition, the amendments supersede the cost guidance in Subtopic 605-35, Revenue Recognition —Construction-Type and Production-Type Contracts, and create new Subtopic 340-40, Other Assets and Deferred Costs—Contracts with Customers. In summary, the core principle of Topic 606 is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This Accounting Standards Update is the final version of Proposed Accounting Standards Update 2011-230—Revenue Recognition (Topic 605) and Proposed Accounting Standards Update 2011–250—Revenue Recognition (Topic 605): Codification Amendments, both of which have been deleted. Accounting Standards Update 2014-09. The amendments in this Update are effective for the Company for annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. The Company is currently evaluating the effects of ASU 2014-09 on the consolidated financial statements**.**

In June 2014, the Financial Accounting Standards Board issued Accounting Standards Update 2014-10, Development Stage Entities. The amendments in this Update remove the definition of a development stage entity from Topic 915, thereby removing the distinction between development stage entities and other reporting entities from U.S. GAAP. In addition, the amendments eliminate the requirements for development stage entities to (1) present inception-to-date information on the statements of income, cash flows, and shareholder's equity, (2) label the financial statements as those of a development stage entity, (3) disclose a description of the development stage activities in which the entity is engaged, and (4) disclose in the first year in which the entity is no longer a development stage entity that in prior years it had been in the development stage. The amendments also clarify that the guidance in Topic 275, Risks and Uncertainties, is applicable to entities that have not commenced planned principal operations. Finally, the amendments also remove paragraph 810-10-15-16, which states that a development stage entity does not meet the condition in paragraph 810-10-15-14(a) to be a variable interest entity (VIE) if (1) the entity can demonstrate that the equity invested in the legal entity is sufficient to permit it to finance the activities it is currently engaged in and (2) the entity's governing documents and contractual arrangements allow additional equity investments. Under the amendments, all entities within the scope of the Variable Interest Entities Subsections of Subtopic 810-10, Consolidation—Overall, would be required to evaluate whether the total equity investment at risk is sufficient using the guidance provided in paragraphs 810-10-25-45 through 25-47, which requires both qualitative and quantitative evaluations. This Accounting Standards Update is the final version of Proposed Accounting Standards Update 2013-320—Development Stage Entities (Topic 915), which has been deleted. The amendments in this Update are effective for annual reporting periods beginning after December 15, 2014, and interim periods therein, and early adoption is required. The Company evaluated and adopted ASU 2014-10 for the reporting period ended April 30, 2014.

In June 2014, the Financial Accounting Standards Board issued Accounting Standards Update 2014-12, Compensation- Stock Compensation. The amendments in this update apply to reporting entities that grant their employees share-based payments in which the terms of the award provide that a performance target can be achieved after the requisite service period. This Accounting Standards Update is the final version of Proposed Accounting Standards Update EITF-13D--Compensation--Stock Compensation (Topic 718): Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period, which has been deleted. The proposed amendments would apply to reporting entities that grant their employees share-based payments in which the terms of the award provide that a performance target could be achieved after the requisite service period. This Accounting Standards Update is the final version of Proposed Accounting Standards Update EITF-13D—Compensation—Stock Compensation (Topic 718): Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period, which has been deleted. The amendments in this Update are effective for annual periods and interim periods within those annual periods beginning after December 15, 2015, and early adoption is permitted. The Company is currently evaluating the effects of ASU 2014-12 on the consolidated financial statements.

The Company does not expect that any recently issued accounting pronouncements will have a significant impact on the results of operations, financial position, or cash flows of the Company.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not required by smaller reporting companies.

ITEM 4. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures. We carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the ''Exchange Act''). Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and

communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. During the second quarter of 2014, we hired outside consultants to draft and test our internal control policies. Based on our evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures are effective as of June 30, 2014, in ensuring that material information that we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission rules and forms.

Changes in Internal Control over Financial Reporting. During the period covered by this report, the Company has adopted its initial internal control procedures and guidelines, and has retained the services of outside consultants to assist in our internal control over financial reporting. We believe the foregoing modifications have and will continue to materially and positively affect our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1A. RISK FACTORS

Not Applicable to a smaller reporting company.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

On May 13, 2014 the Company issued 150,000 shares of common stock having a fair value of $1,237,500 ($10.88 per share) in exchange for consulting services.

On June 11, 2014 the Company issued 12,500 shares of common stock having a fair value of $104,375 ($11.60 per share) in exchange for consulting services.

The Company determined that the securities described above were issued in transactions that were exempt from the registration under the Securities Act of 1933, as amended (the "Securities Act"), pursuant to Section 4(a)(2) thereunder. This determination was based on the non-public manner in which we offered the securities and on the representations of the recipients of the securities, which included, in pertinent part, that they were "accredited investors" within the meaning of Rule 501 of Regulation D promulgated under the Securities Act, that they were acquiring such securities for investment purposes for their own account and not with a view toward resale or distribution, and that they understood such securities may not be sold or otherwise disposed of without registration under the Securities Act or an applicable exemption therefrom.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION.

Item 5.03 Amendment to Articles of Incorporation or Bylaws; Change in Fiscal Year

On August 11, 2014, the Company amended and restated its bylaws (the "Amended Bylaws") and appointed Sandesh Seth as Executive Chairman. Article V (Officers) of the Company's bylaws were amended to add the role of Executive Chairman as an officer of the Company.

A copy of the Amended Bylaws have been included as Exhibit 3.1 to this report on Form 10-Q.

ITEM 6. EXHIBITS

Copies of the following documents are included as exhibits to this report pursuant to Item 601 of Regulation S-K.

Exhibit No.	Title of Document	Location
3.1	Amended and Restated Bylaws of Actinium Pharmaceuticals, Inc.	
31	Certification of the Principal Executive Officer and Principal Financial and Accounting Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Attached
32	Certification of the Principal Executive Officer and Principal Financial and Accounting Officer pursuant to U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002*	Attached
101.INS	X XBRL Instance Document	Attached
101.SCH	X XBRL Taxonomy Extension Schema Document	Attached
101.CAL	X XBRL Taxonomy Calculation Linkbase Document	Attached
101.DEF	X XBRL Taxonomy Extension Definition Linkbase Document	Attached
101.LAB	X XBRL Taxonomy Label Linkbase Document	Attached
101.PRE	X XBRL Taxonomy Presentation Linkbase Document	Attached

* The Exhibit attached to this Form 10-Q shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to liability under that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ACTINIUM PHARMACEUTICALS, INC.

Date: August 12, 2014

By: */s/ Kaushik J. Dave*

Kaushik J. Dave
President and Chief Executive Officer, and Interim Chief Financial Officer
(Duly Authorized Officer,
Principal Executive Officer and
Principal Financial and Accounting Officer)

Exhibit 3.1

ACTINIUM PHARMACEUTICALS, INC.

AMENDED AND RESTATED BYLAWS

ARTICLE I—OFFICES

Section 1.1 Office

The address of the registered office of Actinium Pharmaceuticals, Inc. (hereinafter called the **"Corporation"**) in the State of Delaware shall be located at either (i) the principal place of business of the Corporation in the State of Delaware or (ii) the office of the corporation or individual acting as the Company's registered agent in Delaware. The Corporation may have other offices, both within and without the State of Delaware, as the board of directors of the Corporation (the **"Board of Directors"**) from time to time shall determine or the business of the Corporation may require. The registered office may be changed by resolution of the Board of Directors to another location within the State of Delaware.

Section 1.2 Books and Records

Any records maintained by the Corporation in the regular course of its business, including its stock ledger, books of account and minute books, may be maintained on any information storage device or method; *provided that* the records so kept can be converted into clearly legible paper form within a reasonable time. The Corporation shall so convert any records so kept upon the request of any person entitled to inspect such records pursuant to applicable law.

ARTICLE II—STOCKHOLDERS

Section 2.1 Annual Meeting

An annual meeting of the stockholders, for the selection of directors to succeed those whose terms expire and for the transaction of such other business as may properly come before the meeting, shall be held at a location, either within or without the State of Delaware, and at such time each year as designated by the Board of Directors. The Board of Directors may, in its sole discretion, determine that the meeting shall not be held at any place, but may instead be held solely by means of remote communication. The Board of Directors may adopt guidelines and procedures governing the participation of stockholders and proxy holders not physically present at a meeting of stockholders by means of remote communication.

Section 2.2 Special Meetings

Special meetings of the stockholders, for any purpose or purposes prescribed in the notice of the meeting, may be called by the chairman, the Board of Directors, the president, the chief executive officer, or the holders of not less than one-tenth of all the shares entitled to vote at the meeting, and shall be held at such place, either within or without the State of Delaware, on such date, and at such time as they or he shall fix.

Section 2.3 Notice of Meetings

Written notice of the place, date and time of all meetings of the stockholders shall be given, not less than ten (10) nor more than sixty (60) days before the date on which the meeting is to be held, to each stockholder entitled to vote at such meeting, except as otherwise provided herein or required by law (meaning, here and hereinafter, as required from time to time by the laws of the State of Delaware or the Certificate of Incorporation).

When a meeting is adjourned to another place, date or time, written notice need not be given of the adjourned meeting if the place, date and time thereof are announced at the meeting at which the adjournment is taken; provided, however, that if the date of any adjourned meeting is more than thirty (30) days after the date for which the meeting was originally noticed, or if a new record date is fixed for the adjourned meeting, written notice of the place, date, and time of the adjourned meeting shall be given in conformity herewith. At any adjourned meeting, any business may be transacted which might have been transacted at the original meeting.

Section 2.4 Quorum

Unless otherwise required by law, the Corporation's Certificate of Incorporation (the **"Certificate of Incorporation"**) or these by-laws, at each meeting of the stockholders, a majority in voting power of the shares of the Corporation entitled to vote at the meeting, present in person or represented by proxy, shall constitute a quorum for all purposes, unless or except to the extent that the presence of a larger number may be required by law.

If a quorum shall fail to attend any meeting, the chairman of the meeting or the holders of a majority of the shares of the stock entitled to vote who are present, in person or by proxy, may adjourn the meeting to another place, date or time.

If a quorum shall fail to attend any meeting, the presiding officer may adjourn the meeting to another place, date, or time. When a meeting is adjourned to another place, date or time, written notice need not be given of the adjourned meeting if the place, date and time thereof are announced at the meeting at which the adjournment is taken; provided, however, that if the date of any adjourned meeting is more than thirty (30) days after the date for which the meeting was originally noticed, or if a new record date is fixed for the adjourned meeting, written notice of the place, date, and time of the adjourned meeting shall be given in conformity herewith. At any adjourned meeting, any business may be transacted that could have been transacted at the original meeting.

Section 2.5 Organization

If the persons designated in these Bylaws to conduct meetings of the stockholders are unavailable, the Board of Directors may designate the person to call to order any meeting of the stockholders and act as chairman of the meeting. In the absence of the secretary of the Corporation, the secretary of the meeting shall be such person as the chairman appoints.

Section 2.6 Conduct of Business

The chairman of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of discussion as seem to him in order.

Section 2.7 Proxies

Each stockholder shall have one vote for each share of stock entitled to vote held of record by such stockholder unless otherwise provided by law or the Certificate of Incorporation. Each stockholder of record entitled to vote at a meeting of stockholders, or to express consent or dissent to corporate action in writing without a meeting, may vote or express such consent or dissent in person or may authorize another person or persons to vote or act for the stockholder by proxy authorized by an instrument in writing or by a transmission permitted by law, delivered in accordance with the procedure established for the meeting. No such proxy shall be voted or acted upon after three (3) years from the date of its execution, unless the proxy expressly provides for a longer period.

All voting, except on the election of directors and where otherwise required by law, may be by a voice vote; provided, however, that upon demand therefor by a stockholder entitled to vote or his proxy, a stock vote shall be taken. Every stock vote shall be taken by ballots, each of which shall state the name of the stockholder or proxy voting and such other information as may be required under the procedure established for the meeting. Every vote taken by ballots shall be counted by an inspector or inspectors appointed by the chairman of the meeting.

If a quorum is present, the affirmative vote of the majority of the shares represented at the meeting and entitled to vote on the subject matter shall be the act of the stockholders, unless the vote of a greater number or voting by class is required by law, the Certificate of Incorporation, or these Bylaws. Directors shall be elected by a plurality of the votes cast at the election.

Section 2.8 Stock List

A complete list of stockholders entitled to vote at any meeting of stockholders, arranged in alphabetical order for each class of stock and showing the address of each such stockholder and the number of shares registered in his name, shall be open to the examination of any such stockholder, for any purpose germane to the meeting, during ordinary business hours for a period of at least ten (10) days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or if not so specified, at the place where the meeting is to be held.

The stock list shall also be kept at the place of the meeting during the whole time thereof and shall be open to the examination of any such stockholder who is present. This list shall presumptively determine the identity of the stockholders entitled to vote at the meeting and the number of shares held by each of them.

Section 2.9 Action by Written Consent

Any action, except the election of directors, which may be taken by the vote of the stockholders at a meeting, may be taken without a meeting if authorized by the written consent of stockholders holding at least a majority of the voting power; provided:

(a) That if any greater proportion of voting power is required for such action at a meeting, then such greater proportion of written consents shall be required; and

(b) That this general provision shall not supersede any specific provision for action by written consent required by law.

ARTICLE III—BOARD OF DIRECTORS

Section 3.1 Number; Term of Office; Resignation

The number of directors who shall constitute the whole board shall be such number not less than one (1) not more than nine (9) as the Board of Directors shall at the time have designated. Each director shall be selected for a term of one (1) year and until his successor is elected and qualified, except as otherwise provided herein, the Corporation's Certificate of Incorporation or required by law.

Whenever the authorized number of directors is increased between annual meetings of the stockholders, a majority of the directors then in office shall have the power to elect such new directors for the balance of a term and until their successors are elected and qualified. Any decrease in the authorized number of directors shall not become effective until the expiration of the term of the directors then in office unless, at the time of such decrease, there shall be vacancies on the board which are being eliminated by the decrease.

The resignation of a director shall be in writing or by electronic transmission and shall be effective the later of the time designated in the resignation or when:

(a) Hand-delivered to the president, secretary, or chairman of the Corporation;

(b) Received when sent by facsimile at the published facsimile number of the Corporation;

(c) Received when scanned and sent by email at the published email address of the Corporation, its president, secretary, or chairman;

(d) The next business day after same has been deposited with a national overnight delivery service, shipping prepaid, addressed to the published address of the principal executive offices of the Corporation, the president, the secretary or the chairman of the Corporation, with next-business day delivery guaranteed, provided that the sending party receives a confirmation of delivery from the delivery service provider; or

(e) Three business days after mailing if mailed postage prepaid from within the continental United States by registered or certified mail, return receipt requested, addressed to the published address of the principal executive offices of the Corporation, the president, the secretary or the chairman of the Corporation.

Section 3.2 Vacancies

Unless otherwise restricted by the Certificate of Incorporation, if the office of any director becomes vacant by reason of death, resignation, disqualification, removal or other cause, a majority of the directors remaining in office, although less than a quorum, may elect a successor for the unexpired term and until his successor is elected and qualified.

Section 3.3 Regular Meetings

Regular meetings of the Board of Directors shall be held at such place or places, on such date or dates, and at such time or times as shall have been established by the Board of Directors and publicized among all directors. A notice of each regular meeting shall not be required.

Section 3.4 Special Meetings

Special meetings of the Board of Directors (i) may be called by the chairman of the board or chief executive officer and (ii) may be called by the chief executive officer or secretary on the written request of two directors or the sole director, as the case may be, and shall be held at such place, on such date and at such time as they or he shall fix. Notice of the place, date and time of each such special meeting shall be given by each director by whom it is not waived by mailing written notice not less than three (3) days before the meeting or by electronic transmission not less than eighteen (18) hours before the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

Section 3.5 Quorum

At any meeting of the Board of Directors, a majority of the total number of the whole board shall constitute a quorum for all purposes. If a quorum shall fail to attend any meeting, a majority of those present may adjourn the meeting to another place, date or time, without further notice or waiver thereof.

Section 3.6 Participation in Meetings by Conference Telephone

Members of the Board of Directors or of any committee thereof, may participate in a meeting of such board or committee by means of conference telephone or similar communications equipment that enables all persons participating in the meeting to hear each other. Such participation shall constitute presence in person at such meeting.

Section 3.7 Conduct of Business

At any meeting of the Board of Directors, business shall be transacted in such order and manner as the board may from time to time determine, and all matters shall be determined by the vote of a majority of the directors present, except as otherwise provided herein or required by law. Action may be taken by the Board of Directors without a meeting if all members thereof consent thereto in writing or by electronic transmission and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board of Directors.

Section 3.8 Powers

The Board of Directors may, except as otherwise required by law, exercise all such powers and do all such acts and things as may be exercised or done by the Corporation, including, without limiting the generality of the foregoing, the unqualified power:

(a) To declare dividends from time to time in accordance with law;

(b) To purchase or otherwise acquire any property, rights or privileges on such terms as it shall determine;

(c) To authorize the creation, making and issuance, in such form as it may determine, of written obligations of every kind, negotiable or non-negotiable, secured or unsecured, and to do all things necessary in connection therewith;

(d) To remove any officer of the Corporation with or without cause, and from time to time to devolve the powers and duties of any officer upon any other person for the time being;

(e) To confer upon any officer of the Corporation the power to appoint, remove and suspend subordinate officers and agents;

(f) To adopt from time to time such stock option, stock purchase, bonus or other compensation plans for directors, officers and agents of the Corporation and its subsidiaries as it may determine;

(g) To adopt from time to time such insurance, retirement and other benefit plans for directors, officers and agents of the Corporation and its subsidiaries as it may determine; and

(h) To adopt from time to time regulations, not inconsistent with these Bylaws, for the management of the Corporation's business and affairs.

Section 3.9 Compensation of Directors

Directors, as such, may receive, pursuant to resolution of the Board of Directors, fixed fees and other compensation for their services as directors, including, without limitation, their services as members of committees of the directors.

Section 3.10 Loans

The Corporation shall not, either directly or indirectly, including through any subsidiary, extend or maintain credit, arrange for the extension of credit, or renew an extension of credit, in the form of a personal loan to or for any director, executive officer (or equivalent thereof), or control person, but may lend money to and use its credit to assist any employee, excluding such executive officers, directors or other control persons of the Corporation or of a subsidiary, if such loan or assistance benefits the Corporation.

Section 3.11 Consent In Lieu of Meeting

Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting if a written consent shall be signed by all members of the Board of Directors or committee and the writing or writings are filed with the minutes or proceedings of the Board of Directors or committee,

ARTICLE IV—COMMITTEES

Section 4.1 Committees of the Board of Directors

The Board of Directors, by a vote of a majority of the whole board, may from time to time designate committees of the board, with such lawfully delegable powers and duties as it thereby confers, to serve at the pleasure of the board and shall, for those committees and any other provided for herein, elect a director or directors to serve as the member or members, designating, if it desires, other directors as alternative members who may replace any absent or disqualified member at any meeting of the committee. Any committee so designated may exercise the power and authority of the Board of Directors to declare a dividend or to authorize the issuance of stock if the resolution which designates the committee or a supplemental resolution of the Board of Directors shall so provide. In the absence or disqualification of any member of any committee and any alternate member in his place, the member or members of the committee present at the meeting and not disqualified from voting, whether or not he or they constitute a quorum, may by unanimous vote appoint another member of the Board of Directors to act at the meeting in the place of the absent or disqualified member.

Section 4.2 Conduct of Business

Each committee may determine the procedural rules for meeting and conducting its business and shall act in accordance therewith, except as otherwise provided herein or required by law. Adequate provision shall be made for notice to members of all meetings; a majority of the members shall constitute a quorum unless the committee shall consist of one or two members, in which event one member shall constitute a quorum; and all matters shall be determined by a majority vote of the members present. Action may be taken by any committee without a meeting if all members thereof consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of such committee.

ARTICLE V—OFFICERS

Section 5.1 Generally; Term; Resignation

The officers of the Corporation shall consist of a president, one or more vice-presidents, a secretary, a treasurer and such other subordinate officers as may from time to time be appointed by the Board of Directors. The Corporation may also have a chairman of the board who shall be elected by the Board of Directors and who shall be an officer of the Corporation. Officers shall be elected by the Board of Directors, which shall consider that subject at its first meeting after every annual meeting of stockholders. Each officer shall hold his office until his successor is elected and qualified or until his earlier resignation or removal. Any number of offices may be held by the same person. The resignation of an officer shall be in writing and shall be effective the later of the time designated in the resignation or as provided in Section 3.1 above; provided that the resignation of the president shall be made to a vice-president or any other designated party, except the president.

Section 5.2 Chairman of the Board

The chairman of the board (who may also be designated as Executive Chairman if serving as an employee or consultant of the Corporation) shall, subject to the direction of the Board of Directors, perform such executive, supervisory, and management functions and duties as may be assigned to him from time to time by the Board of Directors. He shall, if present, preside at all meetings of the stockholders and of the Board of Directors.

Section 5.3 President

Unless otherwise designated by the Board of Directors, the president shall be the chief executive officer of the Corporation. Subject to the provisions of these Bylaws and to the direction of the Board of Directors, he shall have the responsibility for the general management and control of the affairs and business of the Corporation and shall perform all duties and have all powers which are commonly incident to the office of chief executive or which are delegated to him by the Board of Directors. He shall have power to sign all stock certificates, contracts and other instruments of the Corporation which are authorized. He shall have general supervision and direction of all of the other officers and agents of the Corporation. He shall, when present, and in the absence of a chairman of the Board of Directors, preside at all meetings of the stockholders and of the Board of Directors.

Section 5.4 Vice-President

Each vice-president shall perform such duties as the Board of Directors shall prescribe. In the absence or disability of the President, the vice-president who has served in such capacity for the longest time shall perform the duties and exercise the powers of the president.

Section 5.5 Treasurer

The treasurer shall have the custody of the monies and securities of the Corporation and shall keep regular books of account. He shall make such disbursements of the funds of the Corporation as are proper and shall render from time to time an account of all such transactions and of the financial condition of the Corporation.

Section 5.6 Secretary

The secretary shall issue all authorized notices from, and shall keep minutes of, all meetings of the stockholders and the Board of Directors. He shall have charge of the corporate books.

Section 5.7 Delegation of Authority

The Board of Directors may, from time to time, delegate the powers or duties of any officer to any other officers or agents, notwithstanding any provision hereof.

Section 5.8 Removal

Any officer of the Corporation may be removed at any time, with or without cause, by the Board of Directors.

Section 5.9 Action with Respect to Securities of Other Corporation

Unless otherwise directed by the Board of Directors, the chief executive officer shall have power to vote and otherwise act on behalf of the Corporation, in person or by proxy, at any meeting of stockholders of or with respect to any action of stockholders of any other corporation in which this corporation may hold securities and otherwise to exercise any and all rights and powers which this corporation may possess by reason of its ownership of securities in such other corporation. The chief executive officer may delegate the foregoing rights to another executive officer of the Corporation.

ARTICLE VI—INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 6.1 Generally

The Corporation shall indemnify its officers and directors to the fullest extent permitted under Delaware law.

Section 6.2 Expenses

Expenses (including attorneys' fees) incurred by an officer or director of the Corporation in defending any civil, criminal, administrative or investigative action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Corporation as authorized under Delaware law. Such expenses (including attorneys' fees) incurred by former directors and officers or other employees and agents of the Corporation or by persons serving at the request of the Corporation as directors, officers, employees or agents of another corporation, partnership, joint venture, trust or other enterprise may be so paid upon such terms and conditions, if any, as the Corporation deems appropriate.

Section 6.3 Determination by Board of Directors

Any indemnification under subsections (a) and (b) of Chapter 1, Delaware General Corporate Law, § 145 (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the present or former director, officer, employee or agent is proper in the circumstances because the person has met the applicable standard of conduct set forth in subsections (a) and (b) of § 145. Such determination shall be made, with respect to a person who is a director or officer of the Corporation at the time of such determination:

(1) By a majority vote of the directors who are not parties to such action, suit or proceeding, even though less than a quorum; or

(2) By a committee of such directors designated by majority vote of such directors, even though less than a quorum; or

(3) If there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion; or

(4) By the stockholders.

Section 6.4 Not Exclusive of Other Rights

The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office. A right to indemnification or to advancement of expenses arising under a provision of the Certificate of Incorporation or a bylaw shall not be eliminated or impaired by an amendment to the Certificate of Incorporation or the Bylaws after the occurrence of the act or omission that is the subject of the civil, criminal, administrative or investigative action, suit or proceeding for which indemnification or advancement of expenses is sought, unless the provision in effect at the time of such act or omission explicitly authorizes such elimination or impairment after such action or omission has occurred.

Section 6.5 Insurance

The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article.

The Corporation's indemnity of any person who is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, shall be reduced by any amounts such person may collect as indemnification (i) under any policy of insurance purchased and maintained on his behalf by the Corporation or (ii) from such other corporation, partnership, joint venture, trust or other enterprise.

Section 6.6 Violation of Law

Nothing contained in this Article, or elsewhere in these Bylaws, shall operate to indemnify any director or officer if such indemnification is for any reason contrary to law, either as a matter of public policy, or under the provisions of the Federal Securities Act of 1933, the Securities Exchange Act of 1934, or any other applicable state or federal law.

Section 6.7 Coverage

For the purposes of this Article, references to "the Corporation" include all constituent corporations absorbed in a consolidation or merger as well as the resulting or surviving corporation so that any person who is or was a director or officer of such a constituent corporation or is or was serving at the request of such a constituent corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise shall stand in the same position under the provisions of this Article with respect to the resulting or surviving corporation as he would if he had served the resulting or surviving corporation in the same capacity.

ARTICLE VII—STOCK

Section 7.1 Certificated and Uncertificated Shares

(a) The shares of the Corporation shall be represented by certificates, provided that the Board of Directors of the Corporation may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation. Each share shall be numbered and entered into the books of the Corporation as they are issued. Each certificate representing shares shall set forth upon the face thereof the following:

(i) The name of the corporation;

(ii) That the Corporation is organized under the laws of the State of Delaware;

(iii) The name or names of the person or persons to whom the certificate is issued;

(iv) The number and class of shares, and the designation of the series, if any, which the certificate represents;

(v) If any shares represented by the certificates are nonvoting shares, a statement or notation to that effect; and, if the shares represented by the certificate are subordinate to shares of any other class or series with respect to dividends or amounts payable on liquidation, the certificate shall further set forth on either the face or the back thereof a clear and concise statement to that effect; and

(vi) If any shares represented by the certificates are subject to any restrictions on the transfer or the registration of transfer of shares, then such restrictions shall be noted conspicuously on the front or back of such certificates.

(b) Every holder of stock represented by certificates shall be entitled to have a certificate signed by, or in the name of the Corporation by the chairperson or vice-chairperson of the Board of Directors, or the president or vice-president, and by the treasurer or an assistant treasurer, or the secretary or an assistant secretary of such corporation representing the number of shares registered in certificate form. Any or all the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue. The Corporation shall not have power to issue a certificate in bearer form.

(c) Within a reasonable time after the issue or transfer of shares without certificates, the Corporation shall send the stockholder then owning such shares a written statement of the information required to be placed on certificates by Section 7.1 (a) of these Bylaws and applicable law.

Section 7.2 Transfers of Stock

Transfers of stock shall be made only upon the transfer books of the Corporation kept at an office of the Corporation or by transfer agents designated to transfer shares of the stock of the Corporation. Except where a certificate is issued in accordance with Section 7.4 of Article VII of these Bylaws, an outstanding certificate for the number of shares involved shall be surrendered for cancellation before a new certificate is issued therefor.

Section 7.3 Record Date

The Board of Directors may fix a record date, which shall not be more than sixty (60) nor less than ten (10) days before the date of any meeting of stockholders, nor more than sixty (60) days prior to the time for the other action hereinafter described, as of which there shall be determined the stockholders who are entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof; to express consent to corporate action in writing without a meeting; to receive payment of any dividend or other distribution or allotment of any rights; or to exercise any rights with respect of any change, conversion or exchange of stock or with respect to any other lawful action.

Section 7.4 Lost, Stolen or Destroyed Certificates

In the event of the loss, theft or destruction of any certificate of stock, another may be issued in its place pursuant to such regulations as the Board of Directors may establish concerning proof of such loss, theft or destruction and concerning the giving of a satisfactory bond or bonds of indemnity.

Section 7.5 Regulations

The issue, transfer, conversion and registration of certificates of stock shall be governed by such other regulations as the Board of Directors may establish.

ARTICLE VIII—NOTICES

Section 8.1 Notices

Whenever notice is required to be given to any stockholder, director, officer, or agent, such requirement shall not be construed to mean personal notice. Such notice may in every instance be effectively given by depositing a writing in a post office or letter box, in a postpaid, sealed wrapper, or by electronic transmission, addressed to such stockholder, director, officer, or agent at his or her address or electronic address as the same appears on the books of the Corporation. The time when such notice is dispatched shall be the time of the giving of the notice.

Section 8.2 Waivers

A written waiver, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice required to be given to such stockholder, director, officer or agent. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders, directors or members of a committee of directors need be specified in any written waiver of notice or any waiver by electronic transmission.

ARTICLE IX—MISCELLANEOUS

Section 9.1 Facsimile Signatures

In addition to the provisions for the use of facsimile signatures elsewhere specifically authorized in these Bylaws, facsimile signatures of any officer or officers of the Corporation may be used whenever and as authorized by the Board of Directors of a committee thereof.

Section 9.2 Corporate Seal

The Board of Directors may provide a suitable seal, containing the name of the Corporation, which seal shall be in the charge of the secretary. If and when so directed by the Board of Directors or a committee thereof, duplicates of the seal may be kept and used by the treasurer or by the assistant secretary or assistant treasurer.

Section 9.3 Reliance Upon Books, Reports and Records

Each director, each member of any committee designated by the Board of Directors, and each officer of the Corporation shall, in the performance of his duties, be fully protected in relying in good faith upon the books of account or other records of the Corporation, including reports made to the Corporation by any of its officers, by an independent certified public accountant, or by an appraiser selected with reasonable care.

Section 9.4 Fiscal Year

The fiscal year of the Corporation shall be as fixed by the Board of Directors.

Section 9.5 Time Periods

In applying any of these Bylaws which require that an act be done or not done a specified number of days prior to an event or that an act be done during a period of a specified number of days prior to an event, calendar days shall be used, the day of the doing of the act shall be excluded and the day of the event shall be included.

ARTICLE X—AMENDMENTS

Section 10.1 Amendments

These Bylaws may be amended or repealed by the Board of Directors at any meeting or by the stockholders at any meeting.

Section 10.2 Force and Effect

These Bylaws are subject to the provisions of the General Corporation Law of the State of Delaware and the Certificate of Incorporation, as the same may be amended from time to time. If any provision in these Bylaws is inconsistent with an express provision of either the General Corporation Law of the State of Delaware or the Certificate of Incorporation, the provisions of the General Corporation Law of the State of Delaware or the Certificate of Incorporation, as the case may be, shall govern, prevail, and control the extent of such inconsistency.

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL AND ACCOUNTING OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Kaushik J. Dave, certify that:

1. I have reviewed this Form 10-Q of Actinium Pharmaceuticals, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods present in this report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13-a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principals;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financing reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involved management or other employees who have a significant role in the registrant's internal control over financial reporting.

Actinium Pharmaceutical, Inc.

By: /s/ Kaushik J. Dave
Kaushik J. Dave
President, Chief Executive Officer and Interim Chief Financial Officer
(Principal Executive Officer and Principal Financial and Accounting Officer)

August 12, 2014

Exhibit 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL AND ACCOUNTING OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Actinium Pharmaceuticals, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2014 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kaushik J. Dave, President, Chief Executive Officer and Interim Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Actinium Pharmaceuticals, Inc.

By: /s/ Kaushik J. Dave
Kaushik J. Dave
President, Chief Executive Officer and Interim Chief Financial Officer
(Principal Executive Officer and Principal Financial and Accounting Officer)

August 12, 2014